

# NervGen Pharma Corp.

## Board of Directors Charter

As Approved by the Board

February 23, 2022

This Board charter sets out the role, composition and responsibilities of the Board of Directors (the “**Board**”) of NervGen Pharma Corp. (“**NervGen**” or the “**Company**”). This charter further provides framework for the Board operations and committee structures. The conduct of the Board is also governed by the Company’s Articles of Incorporation.

### 1. Purpose of the Company

Our Purpose: Restoring Life’s Potential

Our Vision: Changing lives through revolutionary treatments that repair nervous system damage

Our Unique Difference: Our platform enables the nervous system to repair itself

Our ExCITE Values:

#### Excellence

- Proactive
- Results-oriented
- Accountable
- Efficient
- Act with integrity
- Quality in everything we do

#### Commitment

- Intense belief that what we’re doing is meaningful
- Passion for having a significant impact for patients
- Persistent
- Engaged
- Self-motivated

#### Innovation

- Curious
- Think outside the box (not bound by dogma)
- Conceptually expansive, but realistic in execution
- Calculated risk-taking
- Decisions driven by good science and data
- Adaptable and flexible

#### Teamwork

- Work together to maximize our effectiveness
- Aligned purpose, vision, and goals
- Thoughtful, open, transparent communication
- Foster and participate in healthy conflict
- Support and empower each other
- Treat others with dignity, respect and empathy
- Celebrate success

### 2. Purpose of the Board

The main purpose of the Board is to review and approve the strategy of the company, assist and oversee the performance of business operations and ensure compliance for the benefit of shareholders, employees, customers, suppliers, creditors and the communities in which the company operates.

### 3. Roles and Responsibilities

The members of the Board are responsible for supervising the management of the business and affairs of the Company. The Board has delegated authority for the operations and administration of the organization to the Chief Executive Officer (the “CEO”).

The functions of the Board are to:

- Provide effective leadership and collaborate with the executive management team in:
  - developing and articulating the organization’s values, purpose, mission and strategies
  - developing strategic plans and priorities
  - maintaining open lines of communication and ingraining the values, purpose, mission and strategies through the organization and with external stakeholders
  - developing and maintaining an organization structure to support the achievement of agreed strategic objectives
- Review and approve the strategic plan on an annual basis
- Review and approve the corporate goals and objectives to be considered in determining the compensation of the Company’s CEO.
- Review and agree the business (action) plans and annual budget proposed by the executive management team
- Approve the declaration of dividends, the purchase and redemption of securities, acquisitions and dispositions of material capital assets and material capital expenditures
- Monitor the performance of the CEO against agreed performance indicators
- Satisfy itself as to the integrity of the CEO and other members of senior management and that the Chief Executive Officer and other members of senior management of the Company strive to create a culture of integrity throughout the Company, to the extent feasible
- Monitor the achievement and critical risks of the strategic and business plans and annual budget outcomes, providing course correction as necessary
- Monitor annual and quarterly financial statements and related footnotes, management’s discussion and analysis, earnings releases and the Annual Information Form through the activities of the Audit Committee
- Ensure that internal financial, non-financial and business controls and management information systems have been established and are being maintained by management
- Review annually the succession plans of the Company for the Chairperson of the Board (the “Chair”)
- Maintain the Company’s approach to corporate governance, including the development and maintenance of corporate governance principles and guidelines for the Company
- Maintain the Company’s Code of Conduct and Business Ethics
- Review any public communication of the Company

- Ensure compliance with the Articles of Incorporation, laws and insurance requirements
- Review and Approve compensation for the executives of the company and for the Board

#### **4. Board Composition, Structure and Compensation**

##### **(a) Size of Board.**

The Articles provide that the Board shall be comprised of at least three members or such greater number most recently set by ordinary resolution. The Board periodically reviews its size to determine that it is appropriate for its effective operation.

##### **(b) Mix of Directors.**

A majority of the Board will be independent under applicable laws, regulations, rules and guidelines. The Board will be comprised of a sufficient number of independent directors with the requisite skills and qualification to ensure that the Audit, Compensation and Governance Committees can function in accordance with their charters.

##### **(c) Chairperson of the Board.**

The members of the Board shall designate a Chair by majority vote of the full Board membership, following consideration of the recommendation of the Nominating and Corporate Governance Committee (the “**Governance Committee**”).

##### **(d) Selection of Directors.**

In connection with its proxy solicitation relating to the Company’s annual meeting of shareholders, the Board recommends a slate of nominees for election by the Company’s shareholders. In addition, the Board fills vacancies on the Board when necessary or appropriate. The Board’s recommendations or determinations are made after consideration of the recommendations of, and information supplied by, the Governance Committee as to the suitability of each individual, taking into account the criteria described below and other factors, including the requirements for Board committee membership. In recommending nominees, the Governance Committee shall consider candidates for nomination duly and legally recommended by a Company shareholder.

##### **(e) Board Membership Criteria.**

The Board as a whole should collectively possess a broad range of skills, expertise, industry and other knowledge, and business and other experience useful to the effective oversight of the Company’s business. The Board also seeks members from diverse backgrounds so that the Board consists of members with a broad spectrum of experience and expertise and with a reputation for integrity. Directors should have experience in positions with a high degree of responsibility, be leaders in the companies or institutions with which they are affiliated, and be selected based on contributions that they can make to the Company. In determining whether to recommend a director for reelection, the Governance Committee also considers a director’s past attendance at

meetings and participation in and contributions to the activities of the Board and committees of the Board on which the director served. Each new director shall participate in an initial orientation program and each director shall participate in the Company's continuing director education programs.

**(f) Term Limits; Resignation.**

Term Limits. The Board does not believe that it should establish term limits. While term limits could help ensure that there are fresh ideas and viewpoints available to the Board, they have the disadvantage of causing the loss of the contribution of directors who have been able to develop, over a period of time, increasing insight into the Company and its operations and therefore provide an increasing contribution to the Board as a whole.

**(g) Additional Directorships.**

Directors are encouraged to limit the number of other boards of directors (excluding not-for-profit boards of directors) on which they serve, taking into account their potential meeting attendance, participation, and other commitments with respect to these other boards of directors. It is generally advisable for members of the Audit Committee to limit the number of audit committees on which they serve to four. The Governance Committee and the full Board will take into account the nature of, and the time involved in, a director's service on other boards of directors in evaluating the suitability of individual director candidates. Prior to accepting any invitation to serve on another board of directors of a potentially competing corporation, a director must seek and receive the consent of the Governance Committee and the Chair to confirm the absence of any actual or potential conflict of interest.

**(h) Board Compensation.**

A director who is also an officer of the Company shall not receive additional compensation for such service as a director. The form and amount of non-employee director compensation will be recommended by the Compensation Committee, which will evaluate annually the level and form of Board compensation in relation to comparable public companies (in terms of size, industry, complexity, etc.) and report their findings and recommendations to the Board. Changes to director compensation will be proposed to the full Board for consideration. In order to align the interests of directors with shareholders, directors are encouraged to own stock in the Company, and to that end, the majority of director compensation shall be equity based.

**5. Board Committees**

Board committees will be formed only when it is efficient or necessary to facilitate effective discharge of the Board's roles and responsibilities. Board committees will observe the same rules of conduct and procedure as the Board unless the board determines otherwise. Board committees will only speak or act for the Board when so authorized. The authority conferred on a Board committee will not derogate from the authority delegated to the CEO. The Board shall annually evaluate the performance and review the work of its committees.

## **6. Board Meetings and Procedures**

### **(a) Number of Meetings; Attendance; Preparation.**

The Board holds a minimum of four regularly scheduled meetings per year. Directors are expected to attend all regularly scheduled meetings and to have, prior to the meetings, reviewed all written meeting materials distributed to them in advance.

### **(b) Quorum.**

No business may be transacted by the Board at a meeting unless a quorum of the Board is present, as specified in the Company's Articles.

### **(c) Selection of Agenda Items.**

The Chair, with input from the CEO, should establish the agenda for Board meetings; however, directors may at any time suggest that particular items be placed on the agenda, and the Chair will be given an opportunity to review all proposed items to be placed on an agenda.

### **(d) Distribution of Materials.**

The Company will distribute written materials, including the agenda, for use at Board meetings sufficiently in advance of meetings to permit meaningful review. It is recognized, however, that under certain circumstances written materials may be unavailable to directors in advance of the meeting. On those occasions in which the subject matter is too sensitive to provide in writing, the Chair may elect to contact each director by telephone in advance of the meeting to discuss the subject and the principal issues the Board will need to consider. The Governance Committee will periodically review the information flow to directors to ensure that directors receive the right kind and amount of information in sufficient time to prepare for meetings.

### **(e) Attendance of Non-Directors.**

Regularly scheduled Board meetings should generally have three components: (i) an operational update in which the participation of senior management is encouraged, (ii) a closed portion which includes the Board members and the secretary of the Board, generally to discuss finance and HR issues, and (iii) an In Camera session (see below). Other persons may be invited to attend Board meetings where appropriate.

### **(f) In Camera Sessions.**

The Board will meet in camera after each of the Board's regularly scheduled meetings and each in camera session will generally have two parts. The first part will include the CEO to (i) evaluate other Executive management; and (ii) consider such other matters as they may deem appropriate. The second part will exclude the CEO to (i) evaluate the CEO; and (ii) consider such other matters as they may deem appropriate. The non-executive directors may meet in camera at any time to consider issues that they deem important to address without management present. Following each in camera session held without the CEO, the results of the deliberations and any

recommendations should be communicated to the CEO by the Chair or any other director appointed by the Board.

## **7. Board Culture & Conduct**

- (a) The Board actively seeks to have an ‘engaged culture’ which is characterized by candor and a willingness to challenge.

### **Agendas**

The agendas of the Board limit presentation time and maximize discussion time. There are lots of opportunities for informal interactions among Board members.

### **Norms**

- Board members are honest yet constructive.
- Members are ready to ask questions and willing to constructively challenge leadership and each other.
- Members actively seek out other members’ views and contributions.
- Members spend appropriate time on important issues.

### **Beliefs**

- “If I don’t come prepared, I will be embarrassed.”
- “If I don’t actively participate, I won’t be fulfilling my responsibility.”
- “I’ll earn the respect of fellow Board members by making valuable contributions and taking responsibility for what I do.”
- “If I can’t carry my load, or if I can’t agree with what’s going on, I should resign.”

### **Values**

- The Board serves the community and its shareholders by actively participating in governance.
- The Board is primarily responsible to its shareholders.
- Board members are personally accountable for what goes on at the organization.
- the Board is responsible for maintaining the organization’s stature in the sector.
- Board members respect each other.

### **(b) Access to Senior Management/Independent Advisors.**

Board members have complete and open access to senior members of management. The CEO will invite key employees to attend Board sessions at which the CEO believes they can meaningfully contribute to Board discussion. The Board, including the independent members of the Board, has the authority, in its discretion and at the Company’s expense, to retain independent advisors.

**(c) Access to Shareholders and Other Interested Parties.**

The CEO is responsible for establishing effective communications with the Company's shareholders, customers, associates, communities, suppliers, creditors, and corporate partners. Directors are not precluded from meeting with such parties, but any such meetings generally should be held with management present.

**(d) Conduct**

Board members are required to comply with the NervGen's Code of Conduct as outlined in the NervGen Employee Manual

**(e) Confidentiality.**

The Board believes that maintaining the confidentiality of information and deliberations is imperative.

**8. Reporting**

Proceedings of all meetings are minuted and signed by the CEO or the chairperson of the meeting. Minutes of all Board meetings are circulated to directors and approved by the Board at the subsequent meeting. Resolutions are first put to the Board in draft form and, once passed, are recorded in a Resolutions Register.

**9. Review of Charter**

The Board will review this charter annually to ensure it remains consistent with the Board's objectives and responsibilities.

**10. Publication of the Charter**

Key features of the charter are to be outlined in the organization's Annual Report. A copy of the charter is available on the Company's website.